6560-50-P

#### ENVIRONMENTAL PROTECTION AGENCY

#### 40 CFR Part 52

[EPA-R05-OAR-2013-0046; FRL-9913-15-Region 5]

Approval and Promulgation of Air Quality Implementation Plans;

Illinois; Amendments to Vehicle Inspection and Maintenance

Program for Illinois

AGENCY: Environmental Protection Agency (EPA).

**ACTION:** Final rule.

SUMMARY: The Environmental Protection Agency (EPA) is approving a state implementation plan (SIP) revision submitted by the Illinois Environmental Protection Agency on November 29, 2012, concerning the state's vehicle inspection and maintenance (I/M) program in the Chicago and Metro-East St. Louis ozone nonattainment areas in Illinois. The revision amends I/M program requirements in the active control measures portion of the ozone SIP to reflect changes that have been implemented at the state level since EPA fully approved the I/M program on February 22, 1999. The submittal also includes a demonstration under section 110(1) of the Clean Air Act (CAA) addressing lost emission reductions associated with the program changes.

DATES: This final rule is effective on [INSERT DATE 30 DAYS AFTER PUBLICATION IN THE FEDERAL REGISTER].

ADDRESSES: EPA has established a docket for this action under Docket ID No. EPA-R05-OAR-2013-0046. All documents in the

docket are listed in the www.regulations.gov web site. Although listed in the index, some information is not publicly available, e.q., Confidential Business Information or other information whose disclosure is restricted by statute. Certain other material, such as copyrighted material, is not placed on the Internet and will be publicly available only in hard copy form. Publicly available docket materials are available either electronically through www.regulations.gov or in hard copy at the Environmental Protection Agency, Region 5, Air and Radiation Division, 77 West Jackson Boulevard, Chicago, Illinois 60604. This facility is open from 8:30 a.m. to 4:30 p.m., Monday through Friday, excluding Federal holidays. We recommend that you telephone Francisco J. Acevedo, Mobile Source Program Manager, at (312) 886-6061, before visiting the Region 5 office. FOR FURTHER INFORMATION CONTACT: Francisco J. Acevedo, Mobile Source Program Manager, Control Strategies Section, Air Programs Branch (AR-18J), Environmental Protection Agency, Region 5, 77 West Jackson Boulevard, Chicago, Illinois 60604, (312) 886-6061, acevedo.francisco@epa.gov.

SUPPLEMENTARY INFORMATION: Throughout this document whenever "we," "us," or "our" is used, we mean EPA. This supplementary information section is arranged as follows:

I. What is being addressed by this document?

- II. What is our response to comments received on the notice of proposed rulemaking?
- III. What action is EPA taking?
- IV. Statutory and Executive Order Reviews.

## I. What is being addressed by this document?

On November 14, 2013, at 78 FR 68378, EPA proposed to approve into the state's Federally-approved SIP several regulatory changes to the previously approved I/M program operating in the Chicago and Metro-East St. Louis ozone nonattainment areas in Illinois. The most significant changes to the Illinois I/M program took effect beginning on February 1, 2007 and include:

- The elimination of the IM240 transient mode exhaust test for all vehicles beginning February 1, 2007.
- The elimination of the evaporative system integrity (gas cap pressure) test for all on-board diagnostics (OBD) compliant vehicles beginning February 1, 2007.
- The replacement of the computer-matching enforcement mechanism with a registration denial based system beginning January 1, 2008.
- The elimination of the steady-state idle exhaust and evaporative integrity (gas cap pressure) testing for all vehicles beginning February 1, 2012.

- The exemption of pre-2007 model year (MY) heavy-duty vehicles (HDVs) with gross vehicle weight rating (GVWR) between 8,501 and 14,000 pounds beginning February 1, 2012.
- The exemption of all HDVs with a GVWR greater than 14,000 pounds as of February 1, 2012.
- The requirement of OBD pass/fail testing for all 2007 and newer OBD-compliant HDVs.

In addition to the changes discussed above, the November 29, 2012, submittal included a number of minor revisions to the program that do not have a significant impact on overall program operations or the emissions reductions associated with it. A full list of the regulatory changes submitted by Illinois for EPA approval includes:

- VEIL of 2005, as amended, 625 ILCS 5/13C (Public Act 94-526 enacted on August 10, 2005; Public Act 94-848 enacted on June 9, 2006; Public Act 97-106, enacted on July 14, 2011).
- Revisions to 35 Ill. Adm. Code 240 (R11-19 effective March 18, 2011 (35 Ill. Reg. 5552 (April 1, 2011)); R12-12 effective February 1, 2012 (36 Ill. Reg. 1066 (January 27, 2012)).
- Revisions to 35 Ill. Adm. Code 276 effective June 28,
   2011 (35 Ill. Reg. 11268) and January 30, 2012 (36 Ill.
   Reg. 2257).

# II. What is our response to comments received on the notice of proposed rulemaking?

The November 14, 2013, proposal provided a 30-day review and comment period. The comment period closed on December 16, 2013. EPA received comments from two parties during the public comment period. One was supportive of our proposed action. We are responding to the second commenter who disagreed with our action.

Comment. The commenter notes that the primary concern with EPA's proposed approval of Illinois' SIP revision is ensuring it is not counter-productive to compliance of the National Ambient Air Quality Standards (NAAQS). The commenter states that compliance with these standards should be a prerequisite for considering such revisions to ensure timely attainment of all applicable NAAQS. The commenter further claims that the SIP revision would limit Illinois' ability to reduce its precursor emissions, interfere with attainment of multiple NAAQS, and place additional burden on neighboring states.

Response. States have primary responsibility for deciding how to attain and maintain the NAAQS. In reviewing SIP submissions, EPA's role is to approve state choices, provided that they meet minimum criteria set by the CAA or any applicable EPA regulations. To ensure that impacts on the NAAQS are considered, any change submitted to EPA for approval must

include a demonstration of non-interference with the NAAQS, pursuant to section 110(1) of the CAA. In the absence of an attainment demonstration, to demonstrate non-interference with any applicable NAAQS or requirement of the CAA under section 110(1), EPA's policy is that states may substitute equivalent emissions reductions to compensate for any change to a SIP approved program, to ensure that actual emissions in the air are not increased. Allowing states to use substitute equivalent emissions to address section 110(1) provides states with flexibility, while not interfering with attainment or maintenance of the NAAQS. The compensating equivalent reductions must represent permanent emissions reductions achieved in a contemporaneous time frame to the change of the existing SIP control measure, in order to ensure that there is no degradation of air quality.

As outlined in EPA's proposed approval, Illinois' SIP revision includes such a demonstration using equivalent emissions reductions achieved through the shutdown of permitted emission sources to compensate for emission reduction losses resulting from changes to the I/M program that was approved into the SIP in 1999 (64 FR 8517 (Feb. 22, 1999). In the Chicago nonattainment area, Illinois identified 1,168 facilities with permitted volatile organic compound (VOC) emissions and 687 facilities with permitted nitrogen oxides (NO<sub>x</sub>) emissions that

have permanently closed and have expired permits that have been revoked.

In the Metro-East St. Louis nonattainment area, Illinois identified 82 facilities with permitted VOC emissions and 39 facilities with permitted  $NO_X$  emissions that have permanently closed and have expired permits that have been revoked. These sources all ceased operations within the same timeframe of Illinois implementing the revisions to the I/M program. At this point, these sources have all been shutdown for at least two years.

EPA has a well-established policy that reactivation of a permanently shutdown facility will be treated as operation of a new source for purposes of Prevention of Significant

Deterioration (PSD) review. See In the Matter of Monroe

Electric Generating Plant, Entergy Louisiana, Inc. Proposed

Operating Permit, Petition No. 6-99-2, Order Partially Granting and Partially Denying Petition for Objection to Permit (June 11, 1999) at p.8 & n.9 (citing authorities). In general, whether a shutdown is treated as permanent depends on the facts and circumstances, although shutdowns of more than two years or that result in removal of a source from the state's emissions inventory are presumed to be permanent.

EPA has determined, for the sources identified in the record as part of Illinois' submission, that these sources are

permanently shutdown for purposes of PSD. Any restart of operations, and associated emissions, at these sites will be treated as a new sources, subject to the requirements of the PSD program. In addition, the state's 110(1) demonstration indicates that the reductions achieved by the source shutdowns occurred during the same timeframe as the increased emissions from the modified I/M program. As a result, EPA believes it is reasonable for Illinois to use the reductions in actual emissions of ozone precursors resulting from the shutdown of these sources as offsets for any increases in emissions of ozone precursors associated with the changes to the I/M program.

A review of Illinois' 110(1) demonstration shows that the emissions reductions of both VOC and  $NO_x$  emissions far exceed the increase in emissions resulting from the revised I/M program. EPA finds that the net result of these changes will not interfere with attainment and maintenance of the ozone, or other, NAAOS.

Comment. The same commenter also included an analysis that it claims demonstrates that the changes to the Illinois I/M program resulted in an increase in precursor emissions for ozone. The commenter further states that the increase in emissions resulting from the Illinois I/M program changes alone (or largely) was responsible for the monitored violation of the 2008 ozone standard at the Zion, IL monitor. The commenter points to

a photochemical modeling analysis conducted by the commenter, showing that the decreased effectiveness in the emission reduction potential of the Illinois I/M program equates to an increase in ozone concentrations. The commenter argues that because the State has been implementing the modified program since 2007, any analysis should not be based solely on emissions modeling or speculative results, but supported by actual monitoring data that demonstrates compliance with the applicable air quality standards as well. The commenter points to multiple monitored violations of the standard that have occurred in Illinois subsequent to these I/M program changes, and claims that such monitored violations provide strong indication that the current controls and current approved SIP are inadequate to support attainment of the 2008 ozone standard and are also insufficient to support attainment of the 2012 standard for fine particles as well.

Response. The commenter's photochemical modeling analysis referenced above only reflects the impacts of the changes made to the Illinois I/M program. The analysis however fails to take into consideration the emissions reductions achieved through the shutdown of permitted emission sources that Illinois relies on to compensate for the emission reduction losses resulting from changes to the February 22, 1999, SIP approved I/M program.

When the compensating emission reductions being used by Illinois

to address 110(1) are taken into account in the commenter's analysis, the direct link between the violating monitoring data and the I/M program changes claimed by the commenter can no longer be supported. The compensating emission reductions of both VOC and  $NO_x$  emissions far exceed the increase in emissions resulting from the revised I/M program and ensure that there is no net increase in precursor emissions resulting from the approval of the I/M program changes. EPA believes that, had the commenter modeled the ozone impact of the combined increased emissions from the I/M revision and the decrease in emissions from the offsetting emission reductions, the commenter would have modeled a net decrease in peak downwind ozone concentrations. In addition, Illinois' analysis also shows that the emission reduction losses resulting from the changes to the I/M program continue to significantly decline through 2025 while the compensating emission reductions being relied on during the same time period do not. The commenter's claims that Illinois' current control measures and current approved SIP are inadequate to support attainment of the 2008 ozone and 2012 fine particle standards are outside the scope of this action. As stated before, any SIP revision submitted to EPA for consideration needs to include a demonstration of non-interference with the NAAQS under section 110(1) of the CAA to ensure that impacts on the NAAQS are considered. Illinois' SIP revision included such

a demonstration and EPA has determined that Illinois' use of substitute emission reductions does not affect timely attainment of all applicable NAAQS.

# III. What action is EPA taking?

EPA is approving the revisions to the Illinois ozone SIP submitted on November 29, 2012, concerning the I/M program in Illinois. EPA finds that the revisions meet all applicable requirements and will not interfere with reasonable further progress or attainment of any of the national ambient air quality standards.

## IV. Statutory and Executive Order Reviews.

Under the CAA, the Administrator is required to approve a SIP submission that complies with the provisions of the CAA and applicable Federal regulations 42 U.S.C. 7410(k); 40 CFR 52.02(a). Thus, in reviewing SIP submissions, EPA's role is to approve state choices, provided that they meet the criteria of the CAA. Accordingly, this action merely approves state law as meeting Federal requirements and does not impose additional requirements beyond those imposed by state law. For that reason, this action:

• is not a "significant regulatory action" subject to review by the Office of Management and Budget under Executive Order 12866 (58 FR 51735, October 4, 1993);

- does not impose an information collection burden under the provisions of the Paperwork Reduction Act (44 U.S.C. 3501 et seq.);
- is certified as not having a significant economic impact on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 et seq.);
- does not contain any unfunded mandate or significantly or uniquely affect small governments, as described in the Unfunded Mandates Reform Act of 1995 (Public Law 104-4);
- does not have Federalism implications as specified in Executive Order 13132 (64 FR 43255, August 10, 1999);
- is not an economically significant regulatory action based on health or safety risks subject to Executive Order 13045 (62 FR 19885, April 23, 1997);
- is not a significant regulatory action subject to Executive Order 13211 (66 FR 28355, May 22, 2001);
- is not subject to requirements of Section 12(d) of the

  National Technology Transfer and Advancement Act of 1995

  (15 U.S.C. 272 note) because application of those

  requirements would be inconsistent with the CAA; and
- does not provide EPA with the discretionary authority to address, as appropriate, disproportionate human health or environmental effects, using practicable and legally

permissible methods, under Executive Order 12898 (59 FR 7629, February 16, 1994).

In addition, this rule does not have tribal implications as specified by Executive Order 13175 (65 FR 67249, November 9, 2000), because the SIP is not approved to apply in Indian country located in the state, and EPA notes that it will not impose substantial direct costs on tribal governments or preempt tribal law.

The Congressional Review Act, 5 U.S.C. 801 et seq., as added by the Small Business Regulatory Enforcement Fairness Act of 1996, generally provides that before a rule may take effect, the agency promulgating the rule must submit a rule report, which includes a copy of the rule, to each House of the Congress and to the Comptroller General of the United States. EPA will submit a report containing this action and other required information to the U.S. Senate, the U.S. House of Representatives, and the Comptroller General of the United States prior to publication of the rule in the Federal Register. A major rule cannot take effect until 60 days after it is published in the Federal Register. This action is not a "major rule" as defined by 5 U.S.C. 804(2).

Under section 307(b)(1) of the CAA, petitions for judicial review of this action must be filed in the United States Court of Appeals for the appropriate circuit by [INSERT DATE 60 DAYS

FROM DATE OF PUBLICATION OF THIS DOCUMENT IN THE FEDERAL REGISTER]. Filing a petition for reconsideration by the Administrator of this final rule does not affect the finality of this action for the purposes of judicial review nor does it extend the time within which a petition for judicial review may be filed, and shall not postpone the effectiveness of such rule or action. This action may not be challenged later in proceedings to enforce its requirements. (See section 307(b) (2).)

## List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control,
Incorporation by reference, Intergovernmental relations,
Nitrogen oxides, Ozone, Volatile organic compounds.

Dated: June 23, 2014.

Susan Hedman, Regional Administrator, Region 5.

40 CFR part 52 is amended as follows:

## PART 52-APPROVAL AND PROMULGATION OF IMPLEMENTATION PLANS

1. The authority citation for part 52 continues to read as follows:

Authority: 42 U.S.C. 7401 et seq.

2. Section 52.720 is amended by adding paragraph (c) (200) to read as follows:

# § 52.720 Identification of plan.

\* \* \* \* \*

(c) \* \* \*

- (200) On November 29, 2012, the Illinois Environmental Protection Agency submitted a request to revise Illinois' vehicle inspection and maintenance (I/M) program to reflect changes that have been made to the program since EPA fully approved the I/M program on February 22, 1999.
- (i) Incorporation by reference.
- (A) Illinois Administrative Code, Title 35: Environmental Protection, Subtitle B: Air Pollution, Chapter I: Pollution Control Board, Subchapter k: Emission Standards and Limitations for Mobile Sources, Part 240 Mobile Sources. Effective February 1, 2012.
- (B) Illinois Administrative Code, Title 35: Environmental Protection, Subtitle B: Air Pollution, Chapter II: Environmental Protection Agency, Part 276 Procedures to be Followed in the

Performance of Inspections of Motor Vehicle Emissions. Effective January 30, 2012.

- (ii) Other materials.
- (A) Transmittal letter dated November 29, 2012.
- (B) Vehicle Emissions Inspection Law of 2005, as amended, 625 ILCS 5/13C (Public Act 94-526 enacted on August 10, 2005; Public Act 94-848 enacted on June 9, 2006; Public Act 97-106, enacted on July 14, 2011).
- (C) Listing of Chicago and Metro-East St. Louis NAA Facility Closures (July 2012).

[FR Doc. 2014-17331 Filed 08/12/2014 at 8:45 am; Publication Date: 08/13/2014]